GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:1801
ANSWERED ON:29.11.2002
COMMERCIAL BANK OF INDIA IN RUSSIA
DAGGUBATI RAMANAIDU

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the State Bank of India and Canara Bank have jointly ventured to open a Commercial Bank of India in Russia;

(b) if so, the main objectives of this joint venture; and

(c) when this new bank is likely to commence its functioning ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE & COMPANY AFFAIRS(SHRI ANANDRAO V. ADSUL)

(a) & (b) : Yes, Sir. Reserve Bank of India (RBI) has permitted State Bank of India and Canara Bank to establish a joint venture subsidiary in Russia as the Russian laws permit foreign banks` presence only through a locally registered subsidiary/ joint venture incorporated in Russia. The main objective of the joint venture is to have presence of Indian banks in Russia.

(c): The first stage approval from the Central Bank of the Russian Federation has since been received by the banks concerned and the second stage applications are under process. RBI has extended the validity of its permission to establish the above joint venture bank in Russia upto 1st March, 2003.